

Message Text

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ACTION EB-07

INFO OCT-01 EUR-12 ISO-00 SP-02 USIA-06 AID-05 NSC-05
CIEP-01 TRSE-00 SS-15 STR-04 OMB-01 CEA-01 CIAE-00
COME-00 FRB-03 INR-07 NSAE-00 XMB-02 OPIC-03 LAB-04
SIL-01 DODE-00 PA-01 PRS-01 BIB-01 /083 W
-----181331Z 079136 /53

R 181148Z JAN 77
FM AMEMBASSY BUDAPEST
TO SECSTATE WASHDC 7731
INFO AMEMBASSY BERLIN
AMEMBASSY BUCHAREST
AMEMBASSY MOSCOW
AMCONSUL MUNICH
AMEMBASSY PRAGUE
AMEMBASSY SOFIA
AMEMBASSY VIENNA
AMEMBASSY WARSAW
USMISSION NATO BRUSSELS
USMISSION EC BRUSSELS

C O N F I D E N T I A L BUDAPEST 0184

MUNICH FOR RFE

E.O. 11652: GDS
TAGS: ECON, EFIN, EEWT, HU
SUBJECT: TRANSFERABLE RUBLE AND EAST-WEST TRADE

REF: (A) 76 MOSCOW 639, (B) 76 MOSCOW 031, (C) 75
BUDAPEST 3243

1. ECONOFF JANUARY 12 QUERIED AKAR BALASSA, DEPUTY
DEPARTMENT HEAD IN NATIONAL PLANNING OFFICE WITH CLOSE
TIES TO CEMA, CONCERNING RECENT RUMORS THAT CEMA NOW
DISCUSSING WAYS TO USE TRANSFERABLE RUBLE IN EAST-WEST
TRADE. ECONOFF REFERRED TO REPORT BY UNNAMED U.S.
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BUSINESSMAN AND TO ARTICLES IN DIE PRESSE (VIENNA)
DATED DECEMBER 30.

2. BALASSA WOULD NZHEIJN DRAWN OUT ON SUBJECT, BUT DID
SAY THAT SOME TIME AGO HUNGARIAN NATIONAL BANK VICE
CHAIRMAN FEKETE HAD MADE A PROPOSAL WITHIN CEMA CON-
CERNING USE OF TRANSFERABLE RUBLE IN EAST-WEST TRADE.

THIS PROPOSAL, HE SAID, WAS UNSATISFACTORY TO SOVIETS, WHO THEN PUT FORTH COUNTER PROPOSAL. THIS COUNTER PROPOSAL IS NOW UNDER ACTIVE CONSIDERATION, AND BALASSA RECOMMENDED THAT EMBASSY SEEK ADDITIONAL INFORMATION DIRECTLY FROM FEKETE. EMBASSY WILL DO SO WHEN APPROPRIATE.

3. COMMENT: THE GOH HAS SOUGHT TO EXPAND USE TO TRANSFERABLE RUBLE AND TO RELATE ITS VALUE MORE DIRECTLY TO WESTERN CURRENCIES (REF C). DEPUTY FINANCE MINISTER IMRE VINCZE OUTLINED PROBLEMS IN DETERMINING VALUE OF TRANSFERABLE RUBLE IN MAY 1976; FOR A VALUABLE SUMMARY AND EXPLANATION SEE RFE RESEARCH BACKGROUND REPORT/187 DATED AUGUST 30, 1976. MORE RECENTLY, LENGTHY ARTICLE IN PENZUGYI SZEMLE IN DECEMBER 1976 NOTED SHORTCOMINGS IN DETERMINING "REAL" VALUE OF TRANSFERABLE RUBLE. MUDD

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: EAST WEST TRADE, FOREIGN EXCHANGE TRANSACTIONS, CONVERTIBLE FOREIGN EXCHANGE, RUBLE
Control Number: n/a
Copy: SINGLE
Sent Date: 18-Jan-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
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